

ENGAGING CUSTOMERS THROUGH SENSORY BRANDING

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SENSORY BRANDING OVERVIEW

RATIONALE FOR APPLYING A SENSORY IDENTITY SYSTEM

Companies are facing diminishing returns from product or service features alone

Ad spending has increased but returns have not

In many sectors, brand has become the only real differentiator

The most powerful and persuasive human communication can be non-verbal

WHY A SENSORY IDENTITY SYSTEM HAS MORE IMPACT NOW

Visual systems by themselves have limitations, as marketers struggle with to break out from the clutter

New psychological studies reveal conclusive ties between use of non-visual sensory stimuli and human behavior

More companies are realizing they already use various sensory identity elements, albeit independently

A new discipline of sensory branding has emerged, using proven analytical techniques to create stronger brand preferences

WHAT TO DO TODAY

Assess the current use of sensory identity elements

Identify the elements that will best suit an overall branding initiative

Evaluate current and planned sensory identity elements in the context of an integrated identity system to build the desired brand image and connection to the customer

Map out a cohesive customized sensory identity system

Engaging Customers through Sensory Branding

BY PETER DIXON, RANDALL STONE AND JANA ZEDNICKOVA

A growing number of companies are turning to new methods of reaching customers that transcend the traditional tools of brand building.

By employing scent, sound and material textures in immersive customer experiences, marketers are finding new ways to build stronger connections to their customers and drive preference for their brands.

To do this right, however, requires a bit of art and science and just as much rigor as traditional marketing campaigns.

DESIGNING FOR THE SENSES

Manufacturers have long known about the impact of engaging all the senses. From Brylcreem's "A little dab'll do ya" radio jingle in the 1940s, sound has played a key role in branding. In 1995, Intel expanded its "Intel Inside" campaign with a four-tone melody that helped cement a positive image in consumers' minds. Designers at Oxo—maker of handheld kitchenware—won't release a new measuring cup to manufacturing unless it feels right to a wide range of users. Crayola is very protective of the smell of its crayons, and with justification, as smell is the sense that evokes the strongest emotions. (The brain's olfactory bulb, which detects odors, fast-tracks signals to the limbic system, which links emotion to memories.)

However, such efforts are no longer enough. Valuable though these sensory identification elements are to a company's branding initiatives, they still tend to be used largely in isolation. The team that manages a product's texture or aroma is not likely to interact with the marketing group responsible for the product's visual identity—the logo, packaging or print ads, for example.

Now, though, a discipline called sensory branding can harness a range of stimuli such as scent, sound and texture in a systematic fashion to help organizations forge stronger emotional connections with their customers. Singapore Airlines, for instance, has become a master of the discipline, tailoring the effect of the scent on its hot towels to the impressions created by the quality of the in-flight video and by the flight attendants' sarong-style uniforms. The Westin hotel chain's "Sensory Welcome" program ensures that the music playing in its public spaces matches the mood created by the fragrance used in its lobbies. And PSA Peugeot Citroën runs a Human Factors and Perception Department that seeks to better specify the sensory properties of its vehicles so the automaker can more precisely meet its customers' expectations.

SENSORY BRANDING DEFINED

Sensory branding is an emerging business discipline that applies analytical techniques to amalgamate the use of sensory stimuli such as scent, sound and texture in order to develop strong brands that are more memorable for customers than conventional visual branding techniques alone.

Such cohesive sensory identity systems thus build an overall brand signature that embraces several sensory elements that customers will encounter at the same time or in a series of linked experiences. Research is showing that the synthesis of experiences is important, and these studies are turning up some surprising data on how people perceive sensory stimuli. For instance, people can react adversely to a scent by itself but respond favorably to the same aroma when it is used in combination with a particular sound or a touch.

Also, sensory branding is now facilitated by proven and practical analytical methods. Techniques such as Customer Experience Mapping™ assist in identifying and prioritizing where, when and how sensory interactions can be orchestrated across many touchpoints to develop a "concerto" of experiences that will help build consumer preference and work to distinguish a brand amid a sea of competitors.

WHAT'S DRIVING CHANGE NOW

Several factors are converging to drive demand for these new sensory branding approaches. Along with ever tougher global competition and increased expectations for higher financial performance, business leaders face significant changes in how customers interact with brands.

For a start, customers now have more touchpoints with products and retailers than they did just a few years ago. A retail bank has many touchpoints over the life of a client relationship, from frequent interactions at the ATM and regular transactions on the bank's Web site to face-to-face meetings with a branch manager. Many major retailers now offer online sales along with the opportunity to pick up and return their online purchases at a physical store.

In addition, many traditional branding messages are no longer as effective. A "Times Square effect"—an overload of visual messages everywhere—challenges marketers to make their messages heard above the din.

Brand issues are higher on CEOs' agenda these days, not only because of a generational change in corporate leadership and the rise of a "brand culture" but because of a more sophisticated understanding of brand dynamics. Today, many CEOs can readily discuss the tradeoffs required among different brand expenditures. According to a survey by accounting firm Grant Thornton, nearly three-quarters of CEOs of mid-sized companies say that having a strong brand is more important today compared to two years previously (nearly 40% said "much more important").

At the same time, the value of sensory branding is reinforced whenever CEOs and directors ask more probing questions about the returns on today's marketing investments. They are right to do so, as marketing "noise" already diminishes any single brand's influence, and ad spending is not showing concomitant returns.

Sensory branding is also underpinned by a wider base of research into the science of several sensory drivers—olfactory, tactile, aural, etc.—and by wider understanding that visual communication alone leaves out a third of a person's received communication.

FACTS ABOUT FEELINGS

- 95% of human communication is unconscious, and 80% is non-verbal.
- Vanilla is universally perceived as nurturing while leather, wood and wool are thought of as traditional.
- The color white is typically considered pure while blue is the most common favorite color.
- Large-amplitude modulation in music typically is associated with happiness, activity and surprise.
- Women typically think of premium fabrics as fine and light (silk) while men think of them as fine and heavy (wool).

PUTTING SENSORY BRANDING TO WORK

Best-practices marketers such as Samsung Electronics, Hyatt Hotels and Singapore Airlines are starting to develop their own versions of a comprehensive sensory identity system. At its core, this involves processes and partnerships that enable successful exploration, development and market testing of a range of sensory stimuli. Coupled with proven customer experience evaluation capabilities, the approach helps companies to effectively incorporate the appropriate branded sensory elements into the customer experience across all relevant touchpoints.

Based on our experience working with companies in a variety of industries, we have identified four fundamental steps necessary to implement a sensory identity system:

1. Identify the required brand positioning

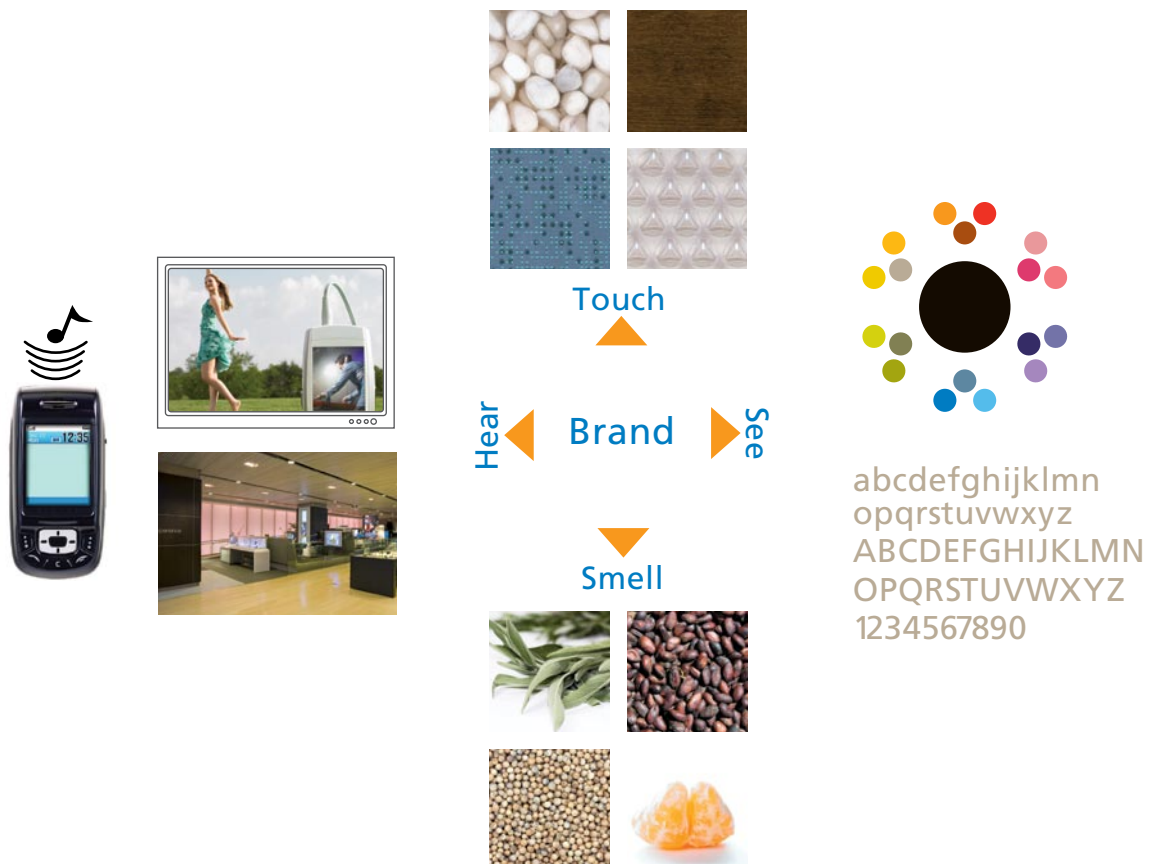
The process begins with an evaluation of the company's market and market positioning, its business goals and objectives, and its competitors in order to identify "white space" and to craft a positioning and a set of image attributes. This first step can be a qualitative, quantitative or a combination of the approaches managed through a series of detailed interactions with the company's customers, as well as discussions with a company's managers and by researching potential directions for positioning appropriate to the company's goals. The consequent positioning will then guide development of all of the individual sensory stimuli. For example, if a positioning is based around a concept of "freshness," it may lead to the use of upbeat sounds and a clean, fruity scent or, in the case of a hotel chain, the selection of towels that have a particular texture.

The focus on sensory branding also changes the conventional approach to this first step in one important respect: Managers from other functional areas of a company become part of the decision-making processes. At Hyatt, for instance, the chief of architecture and construction now participates in brand strategy meetings since it is his responsibility to source the products and materials used in the facilities.

2. Design the right sensory identity elements

Sensory identity systems call on the expertise of firms that specialize in development of scents, music design and other sensory elements. Once the positioning and image criteria have been set, a detailed brief can be prepared for the specialists so they can work on the sensory stimuli in which they are expert.

With regard to scent, this may require agreement on the key scent notes to be included, development and preliminary screening of several scent directions and selection of a small set of scent samples (usually three to six) that may be submitted for testing. With sound, it usually requires working with the specialist to identify potential applications. There might be a sonic logo, or mnemonic—usually a brief combination of a handful of notes—that can be used as a signature for signoffs from advertisements or during product start-ups. There can also be melodies that build on the signature sound and incorporate it in ambient sounds. Again, this is a systematic, multi-step process that starts with a broad list of possibilities and narrows down to a set of sounds that can easily be tested. Similar steps apply to the sense of touch as they affect the brand's physical touchpoints—product packaging, retail presence, the product itself, and so on.



3. Test the sensory elements

Key to the discipline of sensory branding is a customer validation process that includes systematic ways to capture intangible information and impressions and turn it into useful data. Tests of a handful of sensory elements can be carried out through immersive focus groups with target audiences. The audiences are first exposed to each type of stimulus separately (sound, scent, texture, etc.) and the participants then have an open-ended discussion about their impressions and the attributes associated with each element. They are quizzed about associations that can be mapped to desired brand attributes and asked about their general preferences and the likes and dislikes that can guide refinement of sensory brand directions—for example, whether a sound should be louder or softer, a scent stronger or more subtle. (Interestingly, participants can be quite articulate about how sensory inputs make them feel even though they may not be able to find words to describe a sound or a scent.)

Since the human brain rarely processes sensory stimuli in isolation (typically, it blends them for an entirely different impression), the same groups of participants are also presented with bundles of stimuli; the bundles have been assembled based on the sensory branding team's pre-selection. Again, the proxy customers are asked for overall associations and likes and dislikes to test how the whole blend of sensory inputs fits with the desired brand image. Since sensory preferences vary across genders, cultures and geographies, the testing covers a solid cross-section of all desired target groups and geographies.

THE DAY THE OLD MUSIC DIED

The effect was instant—and it happened on several planes at about the same time. As the British Airways frequent fliers were joining their flights, they were dismayed to discover that the airline's new signature background music was not what they had been used to. It did not sound like "British Airways" to them.

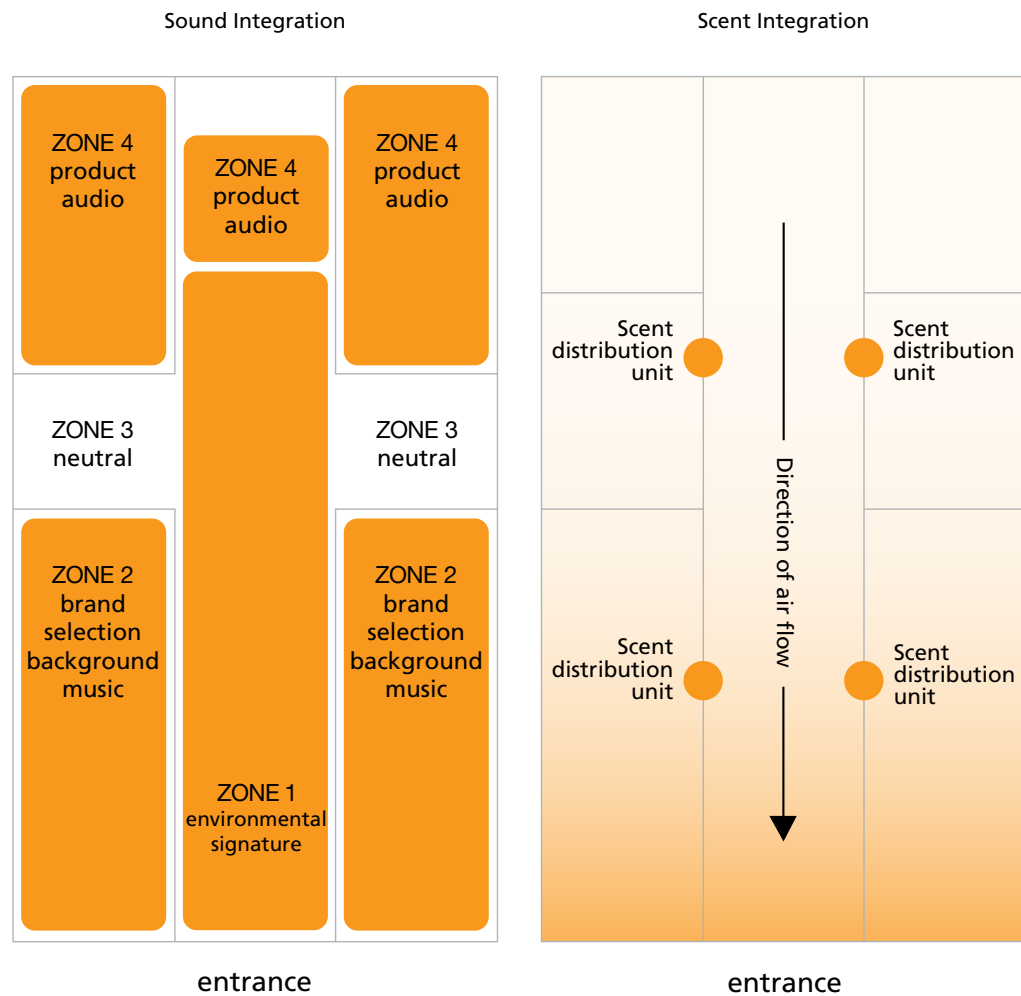
BA heard so much concern from its valued passengers that it brought back the music track it had been using for years to welcome travelers on board.

Like many large, global companies, the British flag carrier has always placed a premium on the visual elements of its brand. The distinctive Union Jack flag emblem on its planes is instantly recognizable. But its passengers' expressions about the onboard sound track are a first-class example of the visceral response that other sensory stimuli have on the perceptions of a corporate or product brand.

4. Optimize across the critical touchpoints

When the stimuli have been refined based on the test results, a sensory identity system can be deployed in live tests. Different sensory elements may be more applicable at some touchpoints than others. By using the proven Customer Experience Mapping™ process, a company can sketch out typical customer “journeys” and the different touchpoints that the brand will have with its target audience, choose to apply the appropriate sensory elements at the critical touchpoints and identify the optimal combinations of sensory stimuli to be applied there. For retail environments, this is an essential step prior to implementing at scale.

INTEGRATING SOUND AND SCENT IN A RETAIL ENVIRONMENT



SENSORY BRANDING IN ACTION

Automotive

Owners of the new Peugeot 207SE hatchback will soon experience the results of new sensory branding initiatives by PSA Peugeot Citroën. The car's ventilation system includes dashboard-mounted cartridges that feature different scents. The "fragrance diffuser" system is just part of the work of the French automobile maker's Human Factors and Perception department. The department draws on experiments based in fields such as cognitive psychology to determine, for example, what a top-of-the-range fabric feels like or what a "good" door-closing sound sounds like. Other car companies are pushing deeper into sensory branding areas: Ford is working on tactile elements to try to create a "Ford feel" for all its vehicles, taking its cue from companies such as BMW which already ensure that the placement of control levers and the materials used for their surfaces combine to create a differentiated tactile sensation.

Financial Services

Citizens Bank has paid close attention to the experience it wants its customers to have. Its branches have been redesigned to feel friendlier, more casual and more approachable, using colors, shapes, textures, and text elements to do so. But the visual aspects are only part of the bank's sensory branding effort. Citizens has developed a soundtrack to expand its sensory branding efforts: a six-hour playlist that is upbeat in tone, mixing instrumental and vocal music to ensure cross-generational appeal. In the ATM lobbies, the volume is set a little louder to ensure that customers enter a space filled with music. On a different note, JCB, Japan's largest credit card issuer, uses a long-lasting scent on its Linda brand of cards aimed at women customers. The cards aim to engender strong customer loyalty and open up a wide range of partnership opportunities for JCB.

Hospitality

The Westin hotel chain is well down the sensory branding path with its Sensory Welcome program now being rolled out across all of its hotels worldwide. The program is used to create a relaxed mood in the hotels' public spaces, blending carefully modulated sound—a customized soundtrack—with infused scent and the appropriate visual notes in its interior design. Indeed, the company's White Tea fragrance has hit such an emotional chord with guests that it is now being sold separately as a line of products by the hospitality provider. Westin has already struck the right note in terms of tactile branding: Its Heavenly Bed and Heavenly Bath products are sold through the company's in-room catalogue, its branded website, and through Nordstrom department stores.

Retail

Samsung, the consumer electronics giant, has begun using scent that resembles honeydew melon in its retail spaces. In its flagship store in New York City, the intensity of the scent, pumped out from hidden devices in the ceiling, varies from one part of the space to another depending on the connection that Samsung is trying to make at that point. One magazine quotes a visitor explaining: "I love the smell of technology. It smells stimulating." And mens' clothing retailer Thomas Pink is well aware of the power of scent: The company ensures that each of its stores is redolent of fresh starched linen.

Travel

Singapore Airlines is perhaps the best example of sensory branding in action. Fly first class on the airline and you'll have a first-hand opportunity to experience its use of scent, visuals, sound, touch, and taste working in concert. The airline's print ads and posters will have prepared you for the visual elements—in particular the batik sarongs of the flight attendants. Entering the cabin, it will be hard to miss one of the carrier's signature aromas: the flight attendants' perfume. En route, you'll catch the scent of the hotel towels handed out after a meal of Singapore chicken rice whose flavor is also designed to mark out the distinctiveness of the airline. Later, you are likely to appreciate the feel of the feather comforter as you recline your seat to catch up on some sleep.

WRAP-UP

Sensory branding makes intuitive sense. However, its disciplines are rigorous enough and its scope broad enough that it cannot simply be picked up in a half-day workshop or self-taught in an online course. Marketing managers must grasp the individual and collective impact of multiple sensory dimensions. And they have to learn to identify the links between the business units responsible for each.

There are also implications for organizational design in terms of communication and coordination among operating groups and implementation teams. For instance, the proper execution of a sensory branding program may call for formal dialog between a clothing retailer's corporate marketing department and its store development staff, or between an automaker's ad agency and the design teams responsible for the interior fabrics.

Sensory branding initiatives also call for clarity about roles: specifying who has overall responsibility for the initiative, which marketing managers and business-unit leaders act on specific aspects of the sensory touchpoint, and how employees are trained and motivated to behave.

The time is right to evaluate sensory branding. Early proponents of sensory branding are finding that its potential to strengthen their brands is making their initial efforts worthwhile. Whether it includes the customized scent in a new car or the sound track in a hotel lobby, the new emphasis on identity systems of sensory elements promises much more opportunity to connect with customers—and to create lasting differentiation.

ABOUT LIPPINCOTT

Lippincott is a leading design and brand strategy consultancy. The firm was founded in 1943 as Lippincott & Margulies and pioneered the discipline of corporate identity. Lippincott operates globally from its offices in the United States, Europe, Asia and the Middle East. Recent clients include American Express, AOL, Citigroup, Delta Air Lines, ExxonMobil, Goldman Sachs, IBM, Mashreq, McDonald's, Nissan, Samsung and Sprint. For more information, visit www.lippincott.com.

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